



*"To enrich lives through effective and caring service"*



**Santos H. Kreimann**  
Director

**Kerry Silverstrom**  
Chief Deputy

March 16, 2010


The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

33 MARCH 16, 2010

  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**CONTRACT FOR ARMED SECURITY GUARD SERVICES  
NORTH AMERICAN SECURITY, INC., CONTRACT NO. 75923  
AMENDMENT 2 – INCREASE IN CONTRACT AMOUNT  
(SUPERVISORIAL DISTRICT 4)  
(3 VOTES)**

**SUBJECT**

This action will increase the annual contract amount with North American Security, Inc. for armed security guard services for Isidore B. Dockweiler Recreational Vehicle Park and Burton Chace Park by \$91,061 per year to cover additional services required at the Dockweiler Recreational Vehicle Park and at the newly constructed Dockweiler Youth Center.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the proposed action is not subject to the California Environmental Quality Act, as it does not meet the definition of a "Project" under California Environmental Quality Act Section 15378.
2. Approve a \$91,061 annual increase in the contract amount and scope of services for Contract Number 75923 with North American Security, Inc., increasing the total contract amount from \$204,885 to \$295,946, to provide required additional security services at the Dockweiler Recreational Vehicle Park and at the newly constructed Dockweiler Youth Center during the first option year and, if extended, second option year of the contract.
3. Find that armed security guard services continue to be performed more economically by North American Security, Inc. than by County employees.

4. Delegate authority to the Director of Beaches and Harbors to execute Amendment No. 2 to Contract Number 75923 with North American Security, Inc. to effect the increase in the contract amount and scope of services.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The construction of the Dockweiler Youth Center has been completed and the facility was dedicated on October 21, 2009. The Department of Beaches and Harbors (Department) determined that overnight security is required to safeguard the property and prevent theft and vandalism. The requested action, if approved by your Board, will provide the funds needed to add sufficient security at the location to help the Department achieve its goal.

The Department has contracted for security guard services at the Dockweiler Recreational Vehicle (RV) Park and Burton Chace Park with private contractors since 1990. The current contract for security services with North American Security, Inc. (North American) was approved by your Board on November 14, 2006, for an amount not to exceed \$186,752 per year, for three years, with two one-year extension options. Your Board also authorized the Director of Beaches and Harbors (Director) to increase the contract amount in each contract year and option year (if extended) by 20% to cover additional services performed in the scope of the contract.

Based on your Board's February 6, 2007 action to increase the Living Wage, the Department, under delegated authority from your Board, executed Amendment No. 1 to the contract, increasing the contract amount by \$18,133 to \$204,885 to be in compliance with the current Living Wage requirements. Also in 2007, the Department determined that an additional 1,460 service hours were required at the RV Park and it has been partially using the Director's 20% delegated authority to fund these increased services.

The recommended scope increases to include additional services that have been provided since 2007 at the RV Park, as well as new services required at the recently-opened Dockweiler Youth Center, will increase the total contract amount by \$91,061, and increasing the contract sum from \$204,885 to \$295,946.

#### **Implementation of Strategic Plan Goals**

The additional security services will promote and further the Board approved Strategic Plan Goals of Operational Effectiveness (Goal 1, Strategy 1, Fiscal Sustainability) and Public Safety (Goal 5), enabling the Department to safeguard public property.

#### **FISCAL IMPACT/FINANCING**

The total cost to provide security guard services through the first option year, December 1, 2009 through November 30, 2010, is \$295,946. The amount includes the original contract cost at the new Living Wage rate (\$204,885) and additional services required at the RV Park and Dockweiler Youth Center (\$91,061). If extended, the second option year contract sum will also be \$295,946.

#### Operating Budget Impact

A total of \$295,946 is required to fund the contract, of which \$260,232 is included in the Department's 2009-10 Adopted Budget specifically for this contract. The additional amount required will be funded by eliminating other service expenditures. The total additional contract cost has been included in the Department's 2010-11 Proposed Budget Request. If extended, the second option year contract cost will be addressed in future year proposed budget request.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

An amendment substantially similar to Attachment A will be executed with North American upon your Board's approval of this action.

The Department has evaluated and determined that the contractor continues to fully comply with the requirements of the Living Wage Program (County Code Chapter 2.201) and has agreed to pay all employees providing these County services a Living Wage.

The Department, using a methodology approved by the Auditor Controller, has recalculated the cost-effectiveness of contracting for these services and has determined that these services continue to be more economically performed by an independent contractor than by County employees. The annual savings from using North American's services rather than County staff is estimated to be approximately \$160,290, as detailed in Attachment B.

The amendment has been approved as to form by County Counsel.

#### **ENVIRONMENTAL DOCUMENTATION**

The proposed action is not subject to the California Environmental Quality Act (CEQA), as it does not meet the definition of a "Project" under CEQA Section 15378.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

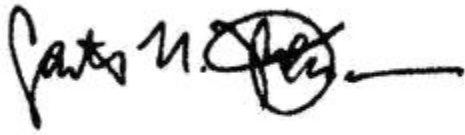
This action will provide for an increase in security services provided on behalf of the Department.

#### **CONCLUSION**

Authorize the Executive Officer of the Board to send four approved copies of this letter to the Department of Beaches and Harbors.

The Honorable Board of Supervisors  
3/16/2010  
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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Santos H. Kreimann", followed by a horizontal line.

SANTOS H. KREIMANN  
Director

TT

Enclosures

AMENDMENT 2 TO CONTRACT NO. 75923

THIS AMENDMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2010, by and between the COUNTY OF LOS ANGELES, a subdivision of the State of California, a body corporate and politic (hereinafter referred to as COUNTY) and NORTH AMERICAN SECURITY, INC. (hereinafter referred to as CONTRACTOR).

WHEREAS, Contract No. 75923 (Contract) was entered into between the COUNTY and the CONTRACTOR on December 1, 2006 to provide armed security services for an initial period of three years commencing on December 1, 2006 through November 30, 2009, with two one-year renewal options; and

WHEREAS, the COUNTY and the CONTRACTOR have renewed the Contract for the first option year starting December 1, 2009; and

WHEREAS, the COUNTY has required additional security services at the Dockweiler RV Park since 2007 and now requires further services at the newly opened Dockweiler Youth Center; and

WHEREAS, the CONTRACTOR is willing to provide these additional services under the Contract's existing terms and conditions as amended by this AMENDMENT.

NOW, THEREFORE, in consideration of these facts and payment to be made by the COUNTY, the COUNTY and the CONTRACTOR agree that Contract No. 75923 between them shall be amended as follows:

1. Paragraph 1.4.1 is amended to increase this Contract's Maximum Annual Compensation from \$204,885 to \$295,946 effective through the first option year and second option year (if extended) of the Contract.

2. CONTRACTOR will continue to provide an additional 1,460 service hours at the Dockweiler RV Park, as it has since 2007, and will now provide one security guard at the Dockweiler Youth Center, located at 12505 Vista del Mar, Los Angeles, California 90245, from 9:00 p.m. to 5:00 a.m., 365 days per year, through the first option year and

second option year (if extended), for a maximum total of 4,380 additional hours annually.

3. Except as modified by this AMENDMENT 2, all other terms, conditions, requirements, specifications, and prices of this Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the COUNTY has, by order of its Board of Supervisors, caused this Amendment to be subscribed by the Director of Beaches and Harbors, and the CONTRACTOR has subscribed its name by and through its duly authorized officer, as of the day, month, and year first written above.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Director, Beaches and Harbors

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN  
County Counsel

By \_\_\_\_\_  
Deputy

North American Security, Inc.

By \_\_\_\_\_

**Department of Beaches and Harbors  
Armed Security Guard Service Contract  
Estimated Net Savings From Contracting**

<b>County Cost Analysis</b>		
<b>Cost Items</b>	<b>Security Officer</b>	<b>Totals</b>
Top Step Salaries (monthly) <sup>1</sup>	\$ 3,504	
Required Service Level - actual avoidable positions <sup>2</sup>	8	8
Annual Salary Cost	\$ 336,384	\$ 336,384
Adjustment for top step salaries variance at 90.1439% <sup>3</sup>	\$ (33,154)	\$ (33,154)
Estimated actual avoidable salaries	\$ 303,230	\$ 303,230
Add: Related employee benefits at 50.459% <sup>3</sup>	\$ 153,007	\$ 153,007
Estimated actual avoidable annual direct labor cost <sup>4</sup>	\$ 456,236	\$ 456,236
Supplies <sup>5</sup>		\$ -
Estimated Actual Avoidable Cost		\$ 456,236
Contract Cost		\$ (295,946)
<b>Net Savings from Contracting</b>		<b>\$ 160,290</b>

(1) Salaries in effect as of December 1, 2009.

(2) The County avoidable position for the Security Officer is based on the required patrolling hours per selected proposer of 14,235 divided by the annual productive work hours of 1,770.

(3) Provided by the Auditor-Controller Cost Accounting Division.

(4) No departmental indirect costs are avoidable.

(5) Not estimated at this time.

